



WHERE ARE YOU IN THE FORECLOSURE TIMELINE?

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When facing foreclosure, you can keep the house, sell the house or allow the foreclosure to proceed. What you can do depends on where you are in the foreclosure timeline and if you have recovered from your financial crisis.

CIRCLE WHERE YOU ARE NOW IN THE TIMELINE.

1. If your mortgage is due on the first, you are delinquent on the second.
2. The first notice of delinquency is mailed on the 16th of the month. You are charged a late fee.
3. If you do not pay by the 30th, the loan is in default; you are sent a second notice.
4. When a loan is 60 days past due, your bank, credit union or mortgage company speeds up the loan and warns you that foreclosure is the next step.
5. After 90 days past due, foreclosure begins. In Michigan, the most common foreclosure is *by advertisement*.
6. The attorney for your bank, credit union or mortgage company advertises the property for sale in a newspaper for four weeks in a row.
7. A sheriff's sale is held on the published date. A deputy conducts an auction and the highest bidder wins (usually the bank). If the sale is adjourned (delayed), a notice is posted at the sale location and in the newspaper.
8. After the sale, the highest bidder gets a "sheriff's deed". It lists the last date that you can redeem (take back) the property, usually in six months – one year.
9. During the redemption period, you can raise the necessary money to get the property back by getting a new mortgage or you can sell the property or you can live in it for free and leave by the end date.
 - a. In order to get your property back, you must pay off the mortgage, interest and late fees, court costs, attorney fees, title and appraisal fees, taxes and insurance.
 - b. In order to sell the property, you must pay everything listed above or in the case of a short sale, get permission and a waiver of deficiency from the bank.
 - c. In order to live in the home until the end of the redemption period (usually six months), you pay the utilities and do general upkeep.

Source: Michigan State Housing Development Authority, *Housing Counselors Training Manual*